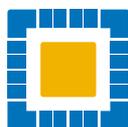


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中新集团
NEO CHINA GROUP

NEO-CHINA LAND GROUP (HOLDINGS) LIMITED

中新地產集團（控股）有限公司

(the “Company”)

(Incorporated in Bermuda with limited liability)

(Stock Code: 563)

DISCLOSEABLE TRANSACTION

ACQUISITION OF A CONTROLLING INTEREST IN

北京君合百年房地產開發有限公司

(BEIJING JUN HE BAI NIAN PROPERTY DEVELOPMENT COMPANY LIMITED*)

THE AGREEMENT

On 28 May 2008, Guo Rui, a wholly-owned subsidiary of the Company, entered into the Agreement with Jing Gu Lin Ye pursuant to which and subject to the terms as therein set out Guo Rui agreed to acquire and Jing Gu Lin Ye agreed to sell 12% of the entire issued shares capital of Jun He for a consideration of RMB82,090,000.

The Acquisition, when aggregated with the Previous Transactions, constitutes a discloseable transaction of the Company within the meanings ascribed thereto under the Listing Rules. A circular containing details of the Acquisition (together with the Previous Transactions) will be sent to Shareholders as soon as practicable.

SUSPENSION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares and the convertible bonds (stock code: 2528) of the Company was suspended with effect from 10:10 a.m. on 22 January 2008 pending the release of an announcement in respect of certain price-sensitive information. Trading in the Shares and convertible bonds of the Company will remain suspended pending the release of further announcement(s) in relation to certain further price-sensitive information.

THE PREVIOUS TRANSACTIONS

In November 2007, the Group entered into various agreements with Ms. Dai and Ms. Zheng for the acquisition by the Group of 100% of the entire issued share capital of Guo Rui for an aggregate consideration of about RMB510 million, which was determined based on arm's length negotiations among the parties to the agreements with reference to the value of the site where the Project is located as well the general market and property conditions of the Tong Zhou District of Beijing, PRC and taking into consideration the potential of acquiring part or all of the other equity interests in Jun He (owned by the other shareholders of Jun He) by exercising the pre-emptive rights of Guo Rui in Jun He. Guo Rui was owned as to 60% by Ms. Dai and 40% by Ms. Zheng and its principal asset was its 19% equity interest in Jun He. Save for its investment in Jun He, Guo Rui does not have any other business operations and/or significant assets. Jun He owns the right to develop the Project. To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, Ms. Dai and Ms. Zheng are Independent Third Parties.

The above agreements were completed in late November 2007 and about RMB400 million has been settled up to the date of this announcement. Guo Rui has become a wholly-owned subsidiary of the Company in late 2007.

On 5 December 2007, the Group entered into an agreement with Jing Gu Lin Ye for the acquisition by the Group of 25.01% of the entire issued share capital of Jun He for a consideration of about RMB154 million, which was determined based on arm's length negotiations between the parties to the agreement with reference to the value of the site where the Project is located as well the general market and property conditions of the Tong Zhou District of Beijing, PRC. Jing Gu Lin Ye is a PRC company whose shares are listed on the Shanghai Stock Exchange. This said acquisition has been completed and the full amount of the consideration has been settled as at the date of this announcement.

The above acquisitions, individually and in aggregate, did not constitute any notifiable transactions under Chapter 14 of the Listing Rules.

THE AGREEMENT, THE SUPPLEMENTAL AGREEMENT AND THE DEBT ASSIGNMENT AGREEMENT

Date: 28 May 2008

Parties : Guo Rui, a wholly-owned subsidiary of the Company

Jing Gu Lin Ye

The Company is an investment holding company and the principal activities of its subsidiaries are investment holding and/or investment in, or development of, land and real estate in PRC.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, Jing Gu Lin Ye and the ultimate beneficial owners of its substantial shareholders are Independent Third Parties.

The asset to be acquired

A further 12% of the entire issued share capital of the Jun He.

Based on the audited financial statements of Jun He for the year ended 31 December 2007 prepared under the PRC GAAP, the net asset value of Jun He as at 31 December 2007 amounted to approximately RMB143 million. The following information is extracted from the audited financial statements of Jun He for the year ended 31 December 2007 and the unaudited management accounts of Jun He for the four months ended 30 April 2008:

	For the four months ended/ As at 30 April 2008 RMB	For the year ended/As at 31 December 2007 RMB	For the year ended/As at 31 December 2006 RMB
Turnover	–	1,975,217.75	–
Net loss before taxation	(4,069,848.30)	(14,104,449.95)	(5,759,106.49)
Net loss after taxation	(4,069,848.30)	(13,629,905.63)	(5,655,591.78)
Net asset value	138,899,336.07	142,969,184.37	156,599,090.00

Upon Completion, the Group will hold approximately 56% of the entire issued share capital of the Jun He and Jun He will become a subsidiary of the Company. Accordingly, the Group will account for the results and assets and liabilities of Jun He on a consolidated basis.

Consideration

The consideration payable for the Acquisition is RMB82,090,000, which has been/will be financed by internal resources of the Group and shall be settled by way of the following:

1. RMB18 million was paid as deposit upon the signing of the Agreement;
2. RMB50 million will be transferred to a bank account which shall be jointly managed by the parties to the Agreement upon 5 days after the signing of the Agreement; and
3. the remaining balance of RMB14 million will be paid upon the completion of the change in the Industrial and Commercial Business Registration.

Pursuant to a debt assignment agreement dated 28 May 2008, as part of the terms for the Acquisition, the Group shall take up the following debts of Jun He (the “Debt Assignment”) upon Completion:

1. a debt payable by Jun He of RMB51,500,000; and
2. interest payable on the debt amount of RMB35,000,000 at the rate of 12.5% per annum from 6 December 2007 up to the date of the settlement of the debt, which amounts to approximately RMB2.2 million as at the date of this announcement.

Taking into account the above terms, the aggregate consideration for the Acquisition amounts to appropriately RMB135.8 million.

The above consideration has been arrived at after arm’s length negotiations between the parties to the Agreement. In determining the amount, the Board has made reference to

- (a) the valued amount of the site where the Project is located of approximately RMB1,649 million as at 30 April 2008, based on a valuation report prepared by an independent firm of professional valuers;
- (b) the general property development and market situation of the Tong Zhou District of Beijing, PRC;

- (c) the market values of similar properties in the relevant locations; and
- (d) the additional interest in Jun He (increased from about 44% to 56% of the entire issued share capital of Jun He) upon completion of the Agreement;

and is of the view that the terms of the Agreement including the consideration are on normal commercial terms, which are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

Completion

Pursuant to the terms of a supplemental agreement also dated 28 May 2008, completion of the Agreement is subject to the following:

1. the approval by shareholders of Jing Gu Lin Ye in a shareholders' meeting of the Agreement and the Debt Assignment; and
2. the approval of the transfer of the 12% equity interest in Jun He by Jing Gu Lin Ye to the Group by the CSRC.

The Project

The Project involved is 自由小鎮 (Freedom Little County*), a property development project at 北京市通州區梨園地區 (Beijing City Tong Zhou Qu Li Yuan District*), Beijing, PRC, a location which is easily accessible by various transportation and is about 15 minutes drive from the Beijing Capital International Airport or the central commercial district of Beijing City. The site occupies an area of 253,043 square meters and has a gross construction area of approximately 800,000 square meters. Under the present plan, it is to be developed into a composite development including commercial and residential buildings and ancillary facilities and will be completed by two phases. Phase 1 of the said development is scheduled to be completed before the end of 2010.

REASONS FOR THE ACQUISITION

The Group is principally engaged in property investment and development in the PRC. The Acquisition will enable the Group to further its property investment and development business and to secure a controlling interest in the Project by holding more than 50% of the entire issued share capital of Jun He.

The Board considers that the terms and conditions of the Agreement, including the consideration thereof, are on normal commercial terms, which are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

GENERAL

Under Rule 14.22 of the Listing Rules, the Stock Exchange may require listed issuers to aggregate a series of transactions and treat them as if they were one transaction if they are all completed within a 12-month period or are otherwise related. Taking into account the acquisitions made under the Previous Transactions, the Acquisition (together with the Previous Transactions) constitutes a discloseable transaction of the Company under the Listing Rules. A circular containing details of the Acquisition (together with the Previous Transactions) will be despatched to Shareholders as soon as possible in accordance with the Listing Rules.

SUSPENSION OF TRADING

At the request of the Company, trading in the Shares and the convertible bonds (stock code: 2528) of the Company was suspended with effect from 10:10 a.m. on 22 January 2008 pending the release of an announcement in respect of certain price-sensitive information. Trading in the Shares and convertible bonds of the Company will remain suspended pending the release of further announcement(s) in relation to certain further price-sensitive information.

TERMS USED IN THIS ANNOUNCEMENT

“Acquisition”	the acquisition of 12% of the entire issued share capital of Jun He by the Group from Jing Gu Lin Ye pursuant to the terms of the Agreement
“Agreement”	the agreement dated 28 May 2008 entered into by Guo Rui, a wholly-owned subsidiary of the Company, with Jing Gu Lin Ye pursuant to which and subject to the terms as therein set out Guo Rui agreed to acquire and Jing Gu Lin Ye agreed to sell 12% of the entire issued shares capital of Jun He for a consideration of RMB82,090,000
“Board”	the board of directors of the Company

“Company”	Neo-China Land Group (Holdings) Limited, a company incorporated in Bermuda and the issued shares of which are listed on the main board of the Stock Exchange
“Consideration”	the aggregate consideration of RMB135.8 million for the acquisition of 12% of the entire issued share capital of Jun He
“CSRC”	the China Securities Regulatory Commission
“Directors”	directors of the Company for the time being
“Group”	the Company and its subsidiaries
“Guo Rui”	北京國銳民合投資有限公司(Beijing Guo Rui Min He Investment Company Limited*), a company incorporated and existing under the laws of the PRC with limited liability and a wholly-owned subsidiary of the company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party and its ultimate beneficial owners, independent of the Company and its connected persons (as defined under the Listing Rules)
“Jing Gu Lin Ye”	雲南景谷林業股份有限公司 (Yunnan Jing Gu Lin Ye Gu Fen Company Limited*), a company duly incorporated and existing under the laws of the PRC with limited liability, with principal businesses to be involved in the manufacturing, design and production of various forestry chemicals and related products and the issued shares of which are listed on the Shanghai Stock Exchange

“Jun He”	北京君合百年房地產開發有限公司(Beijing Jun He Bai Nian Property Development Company Limited*), a company duly incorporated and existing under the laws of the PRC with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ms. Dai”	代榮芹女士(Ms. Dai Rong Qin*), an Independent Third Party
“Ms. Zheng”	鄭向麗女士(Ms. Zheng Xiang Li*), an Independent Third Party
“PRC”	the People’s Republic of China
“PRC GAAP”	PRC Generally Accepted Accounting Principles
“Previous Transactions”	the transactions in relation to the acquisition of the following: <ol style="list-style-type: none"> 1. the acquisition of the entire issued share capital of Guo Rui, which owns about 19% of the entire issued share capital of Jun He, in November 2007 from Ms. Dai and Ms. Zheng for an aggregate consideration of about RMB510 million; and 2. the acquisition of about 25% of the entire issued share capital of Jun He by Guo Rui in December 2007 for a consideration of about RMB154 million
“Project”	自由小鎮(Freedom Little County*), a property development project at 北京市通州區梨園地區(Beijing City Tong Zhou Qu Li Yuan District*), Beijing, PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	the holders of the Shares

“Shares” shares of HK\$0.04 each in the capital of the Company

“Stock Exchange” The Stock Exchange of Hong Kong Limited

By order of the Board
NEO-CHINA LAND GROUP (HOLDINGS) LIMITED
Li Song Xiao
Chairman

Hong Kong, 19 June 2008

As at the date hereof, the Board comprises Mr. Li Song Xiao, Mr. Liu Yi, Ms. Niu Xiao Rong, Mr. Yuan Kun, Ms. Liu Yan, Mr. Jia Bo Wei, Mr. Lu Zhao Qun and Ms. Bao Jing Tao and Mr. Lam Kwan Sing as executive Directors; Mr. Lai Leong as non-executive Director and Ms. Nie Mei Sheng, Mr. Zhang Qing Lin, Mr. Gao Ling and Mr. Lai Man Leung as independent non-executive Directors.

This announcement is made by the order of the Board, of which the Directors individually and jointly accept responsibility for the accuracy of the information contained in this announcement.

** for identification purposes only*